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c 20 Land Transfer Tax Amendment Act, 1983

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CHAPTER 20

An Act to amend the Land Transfer Tax Act

Assented to May 26th, 1983

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1.—(1) Subsection 1 (1) of the *Land Transfer Tax Act*, being chapter 231 of the Revised Statutes of Ontario, 1980, is amended by relettering clause (a) as clause (aa) and by adding thereto the following clause: s. 1 (1),
amended

- (a) “associate”, where used to indicate a relationship with any person or company means,
 - (i) any company of which such person or company beneficially owns, directly or indirectly, voting securities carrying more than 10 per cent of the voting rights attached to all voting securities of the company for the time being outstanding,
 - (ii) any partner of that person or company,
 - (iii) any trust or estate in which such person or company has a substantial beneficial interest or as to which such person or company serves as trustee or in a similar capacity,
 - (iv) the spouse or any parent, son or daughter, brother or sister of that person, or
 - (v) any relative of such person or of his spouse who has the same home as such person.

(2) Clause 1 (1) (b) of the said Act is amended by inserting after “Ontario” in the fifth line “or the registration of a caution or notice of any kind signifying the existence of an unregistered instrument or writing by which land is conveyed”. s. 1 (1) (b),
amended

(3) Clause 1 (1) (c) of the said Act is amended by striking out “notice or caution” in the fourth line and inserting in lieu thereof “caution or notice of any kind”. s. 1 (1) (c),
amended

s. 1 (1) (f) (ii),
amended

(4) Subclause 1 (1) (f) (ii) of the said Act is amended by inserting after “person” in the fifth line “or by that person and one or more persons who are associates of that person and who are themselves non-resident persons” and by inserting after “person” in the eighth line “or group of non-resident persons”.

s. 1 (1) (f),
amended

(5) Clause 1 (1) (f) of the said Act is amended by striking out “or” at the end of subclause (iv) and by adding thereto the following subclauses:

(vi) one-quarter or more of the paid-up capital of which is held by a non-resident person or by that person and one or more persons who are associates of that person and who are themselves non-resident persons,

(vii) one-half or more of the paid-up capital of which is held by one or more non-resident persons,

(viii) that would be required on dissolving, winding-up, or any other distribution that is not a dividend, to distribute one-quarter or more of its surplus to a non-resident person or to that person and one or more persons who are associates of that person and who are themselves non-resident persons, or

(ix) that would be required on dissolving, winding-up, or any other distribution of surplus that is not a dividend, to distribute one-half or more of its surplus to one or more non-resident persons.

s. 1 (1),
amended

(6) Subsection 1 (1) of the said Act is further amended by adding thereto the following clauses:

(ga) “notice of any kind” includes a recital or reference made in any registered instrument;

.

(ja) “spouse” means spouse as defined in clause 14 (b) of the *Family Law Reform Act*.

R.S.O. 1980,
c. 152

s. 1 (1) (k),
re-enacted

(7) Clause 1 (1) (k) of the said Act is repealed and the following substituted therefor:

- (k) “tax” means the tax imposed by this Act and includes all penalties and interest that are or may be added to a tax under this Act.

(8) Sub-subclause 1 (1) (p) (ii) (A) of the said Act is repealed and the following substituted therefor:

s. 1 (1) (p)
(ii) (A),
re-enacted

- (A) the value of the consideration determined under subclause (i) plus the amount owed under the mortgage or charge at the time it is foreclosed, including principal, interest and all other costs and expenses other than municipal taxes, secured by the mortgage or charge and owing at the time plus the amount owing similarly calculated under any mortgage or charge that is subsequent in priority to the mortgage or charge in respect of which the final order of foreclosure is made and that is held by the mortgagee or chargee in whose favour the final order of foreclosure that is registered is made, or

(9) Subclause 1 (1) (p) (iii) of the said Act is amended by striking out “a notice in writing signifying the existence of a lease of land or of a transfer” in the third and fourth lines and inserting in lieu thereof “a notice of any kind in writing signifying the existence of an unregistered lease of land or of an unregistered transfer”.

s. 1 (1) (p)
(iii), amended

(10) Subclause 1 (1) (p) (iv) of the said Act is repealed and the following substituted therefor:

s. 1 (1) (p)
(iv), re-enacted

- (iv) in the case of a caution or notice of any kind in writing signifying the existence of any unregistered instrument or writing by which land is conveyed and that is not a notice in writing described in subclause (iii), the value of the consideration determined under subclause (i) or (ii) for the land conveyed by the unregistered instrument or writing that is referred to in such caution or notice in writing that is not a notice in writing described in subclause (iii).

(11) Clause 1 (1) (p) of the said Act is amended by adding thereto the following subclauses:

s. 1 (1) (p),
amended

(vi) in the case of a conveyance of land from a trustee to another trustee (whether or not either trustee is so described in the conveyance) where,

(A) the person to whom or for whose benefit any equitable or beneficial interest in the land is held is not the same person to whom or for whose benefit any equitable or beneficial interest in the land was held by the trustee making the conveyance when that trustee first acquired his legal interest in the land, and

(B) valuable consideration has been given by the transferee of an equitable or beneficial interest for the transfer of any equitable or beneficial interest in the land held by the trustee making the conveyance while that trustee was the holder of the legal interest in the land,

the fair market value, ascertained at the time of the tender for registration, of the land to which the conveyance extends, or

(vii) in the case of a conveyance of land to a corporation where any part of the consideration consists of the allotment and issuance of the corporation's shares or in the case of a conveyance of land from a corporation to any of its shareholders the fair market value, ascertained at the time of the tender for registration, of the land to which the conveyance extends.

s. 1,
amended

(12) Section 1 of the said Act is amended by adding thereto the following subsections:

Deemed
ownership of
shares

(2a) Where a person has a right, either as an incident of ownership of a share of a corporation or otherwise under a contract, in equity or otherwise, either immediately or in the future and either absolutely or contingently, to, or to acquire, equity shares in a corporation, those shares shall, unless the right is contingent upon an event that it is not reasonable to expect to occur within a reasonable time or is such that a reasonable man concerned only with the value of the shares would not exercise it, be deemed to be owned by the person who has the right, and, where the shares are unissued, the shares shall be deemed to be issued and outstanding, and the shares shall be deemed to

have a paid-up capital value, with respect to each share equal to,

- (a) the par value, where the shares have a par value;
- (b) the amount that would be paid with respect to each share to exercise the right under the terms of the contract, where the shares have no par value and an amount is specified in the contract; or,
- (c) the market value of a share of the class of shares of that corporation that is most clearly similar to that share, where the shares have no par value and no amount is specified in the contract,

and any other person who actually owns the share in respect of which that right exists shall be deemed not to own those shares.

(2b) Where any share of a corporation, or any interest in any share of a corporation as described in subsection (2a), is owned jointly and one or more of the joint owners is a non-resident, the share or interest shall be deemed to be owned by a non-resident person.

Where one or more joint owners a non-resident

(13) Subsection 1 (4) of the said Act is amended by inserting after “notice” in the fourth line “of any kind”.

s. 1 (4), amended

(14) Section 1 of the said Act is further amended by adding thereto the following subsection:

s. 1, amended

(5) For the purposes of this Act, farming shall not be considered to be a commercial or industrial business.

Interpretation

2. Section 2 of the said Act is amended by adding thereto the following subsections:

s. 2, amended

(2a) Where there is a disposition of agricultural land within the meaning of clause (2c) (a) or (b), and where a corporation that owns the land becomes, as a result of the disposition, a non-resident corporation other than a non-resident corporation the equity shares of which have been listed and posted for trading on any stock exchange prescribed under Part XXXII of the Income Tax regulations, being chapter 945 of the Consolidated Regulations of Canada, made under the *Income Tax Act* (Canada), there shall be imposed and levied upon the agricultural land so disposed of, for the use of Her Majesty in right of Ontario, a tax computed at the rate of 20 per cent of the fair market value of the land at the time of disposition and the tax is payable to the Treasurer by the corporation that owns the land immediately upon the disposition and shall be remitted to the

Tax imposed on dispositions

R.S.C. 1952, c. 148

Minister at the time of disposition by the person responsible for its payment.

Idem

(2b) Where there is a disposition of agricultural land within the meaning of clause (2c) (c), and where a trust that owns the land becomes, as the result of the disposition, a non-resident person, there shall be imposed or levied upon the agricultural land so disposed of, for the use of Her Majesty in right of Ontario, a tax computed at the rate of 20 per cent of the fair market value of the land at the time of the disposition and the tax is payable to the Treasurer immediately upon the disposition by the trust, and the trustee or other holder of the legal interest in the land shall remit the tax to the Minister out of the money or other property in his possession belonging or owing to the beneficiaries at the time of the disposition.

Dispositions
defined

(2c) In this section, a disposition of agricultural land includes,

R.S.O. 1980,
c. 31

- (a) the sale or transfer in any manner of any beneficial interest in, or the allotment and issue of, including the acquisition of an interest as described in subsection 1 (2a) of shares that are shares in the capital stock of a corporation one of the assets of which consists of any land that is assessed under the *Assessment Act*, or is actually used, as agricultural or farm land, woodlands or as an orchard, but this clause does not apply to any transfer of the beneficial interest in such shares that occurs by reason of the death of the owner of them and that is not provided for by an agreement enforceable against the corporation that issued such shares or enforceable by or against the person legally or beneficially entitled to such shares immediately following the death of the owner of them;
- (b) the amalgamation, merger, consolidation or any other like arrangement of any two or more corporations one of the assets of any one or more of which consists of any land that is assessed under the *Assessment Act*, or is actually used, as agricultural or farm land, woodlands or as an orchard; or
- (c) the sale or transfer, however effected, of any part of the beneficial interest in, any change in the entitlement to, or any accretion to, the beneficial interest in land that is assessed under the *Assessment Act*, or actually used, as agricultural or farm land, woodlands or as an orchard, including any declaration of trust where any part of the corpus of the trust is such

land, but this clause does not apply to any transfer of any beneficial interest in land that occurs by reason of the death of the owner of such interest and that is not provided for by an agreement enforceable by or against the person legally or beneficially entitled to such interest immediately following the death of the owner of it.

3.—(1) Subsection 4 (1) of the said Act is amended by striking out “such other information as the Minister may prescribe to be disclosed in the affidavit” in the eighth and ninth lines and inserting in lieu thereof “such affidavit shall state whether the transferee to whom the land is being conveyed is a non-resident person or the trustee for a non-resident person and shall contain such other information as the Minister may prescribe to be disclosed”. s. 4 (1), amended

(2) Subsection 4 (2) of the said Act is repealed. s. 4 (2), repealed

(3) Subsection 4 (3) of the said Act is amended, s. 4 (3), amended

(a) by striking out that portion of the subsection that precedes clause (a) and inserting in lieu thereof “The affidavit required by subsection (1) shall be made by”;

(b) by striking out “married to” in the first line of clause (g) and inserting in lieu thereof “spouses of”; and

(c) by striking out that portion of the subsection that follows clause (g).

(4) Subsection 4 (4) of the said Act is amended by striking out “or (3)” in the first line. s. 4 (4), amended

(5) Subsection 4 (6) of the said Act is repealed. s. 4 (6), repealed

(6) Subsection 4 (7) of the said Act is repealed and the following substituted therefor: s. 4 (7), re-enacted

(7) Notwithstanding subsection (1), no affidavit is required under that subsection on the tender for registration of a conveyance to or in trust for a transferee who is expressly named in the conveyance and who is Her Majesty in right of Ontario, Her Majesty in right of Canada or a Crown agency within the meaning of the *Crown Agency Act*. Affidavit not required
R.S.O. 1980, c. 106

(7) Subsection 4 (8) of the said Act is repealed and the following substituted therefor: s. 4 (8), re-enacted

Returns

(8) Every person liable to pay tax under subsection 2 (2a) and every trustee or other holder of the legal interest in agricultural land with respect to which a disposition has occurred who is liable to remit the tax out of the money or other property in his possession belonging or owing to the beneficiaries of a trust liable to pay tax under subsection 2 (2b) shall deliver a return to the Minister in such form as the Minister shall prescribe on or before the 30th day following the day when the tax becomes payable and shall remit the tax payable with the return.

Penalty for
default in
filing returns

(9) Every person who fails to deliver a return as required by subsection (8), or who fails to remit with his return the amount of tax payable, shall pay, when assessed therefor, a penalty of an amount equal to 25 per cent of the tax payable.

Extension of
time for
returns

(10) The Minister may extend the time for making the return required under subsection (8) either before or after the time for making it has expired.

Offence

(11) In addition to any penalty assessed under subsection (9), every person who has failed to deliver a return as required by subsection (8) is guilty of an offence and on conviction is liable to a fine of not less than 25 per cent of the tax payable plus, in an appropriate case, an amount of not more than the amount of tax payable.

Trustee not
personally
liable if he
deducts tax

(12) A trustee or other holder of the legal interest in agricultural land with respect to which a disposition has occurred is not, as such, personally liable for the tax levied under subsection 2 (2b), but no person in Ontario shall pay, deliver, assign or transfer to or for the benefit of the person beneficially entitled thereto any property that is vested in him as trustee or other holder of the legal interest in such property at any time after the tax levied under subsection 2 (2b) becomes payable without deducting therefrom or collecting an amount sufficient to pay the tax levied.

Penalty

(13) Every such trustee or other holder of the legal interest in agricultural land with respect to which a disposition has occurred who transfers property that is vested in him as trustee or other holder of the legal interest in such property without deducting therefrom or collecting in accordance with subsection (12) the tax payable under subsection 2 (2b) by the trust is guilty of an offence and on conviction is liable to a fine equal to 125 per cent of such tax.

Raising of
funds for tax

(14) A trustee or other holder of the legal interest in agricultural land with respect to which a disposition has occurred who is required by subsection 2 (2b) to pay tax out of the money or other property in his possession belonging or owing to the

beneficiaries of a trust liable to pay tax under subsection 2 (2b), has, for the purpose of paying such tax, the power to raise the amount of such tax and any interest and expense properly incurred by him in respect thereof, by sale, mortgage, lease or pledge, of so much property as may be necessary for such purpose.

(15) Fines imposed under this Act shall be paid to the Treasurer on behalf of Her Majesty the Queen in right of Ontario. Fines payable to Treasurer

4. Section 5 of the said Act is repealed and the following substituted therefor: s. 5, re-enacted

5. Any person who has made, or participated in, assented to or acquiesced in the making of, a false or deceptive statement in a return required under subsection 4 (8) or in a response to a demand of the Minister under subsection 8 (2) is guilty of an offence and, in addition to any penalty otherwise provided by this Act, is liable on conviction to a fine of the amount of the tax that, had the true facts been stated, would have been payable, plus an amount of not less than \$50 and not more than \$1,000. False statements

5.—(1) Subsection 7 (3) of the said Act is amended by striking out “notice or caution in writing signifying the existence of any” in the first and second lines and inserting in lieu thereof “caution or notice of any kind signifying the existence of any unregistered”. s. 7 (3), amended

(2) Section 7 of the said Act is amended by adding thereto the following subsection: s. 7, amended

(5) Where a person has, in accordance with this Act and the regulations, applied for a refund under this Act and his claim is in whole or in part refused, the Minister shall cause to be delivered to such person a statement of disallowance in such form as the Minister shall prescribe, and the statement shall specify the amount of the disallowance and the reasons therefor. Disallowance of refund

6.—(1) Subsection 11 (1) of the said Act is repealed and the following substituted therefor: s. 11 (1), re-enacted

(1) Where a person objects to an assessment made under section 10 or a statement of disallowance made under subsection 7 (5), he may, within ninety days after the day of mailing or delivery by personal service of the notice of assessment or statement of disallowance, serve on the Minister a notice of objection in duplicate in the prescribed form setting out the reasons for the objection and all relevant facts. Notice of objection

s. 11 (3),
re-enacted

(2) Subsection 11 (3) of the said Act is repealed and the following substituted therefor:

Reconsideration

(3) Upon receipt of a notice of objection, the Minister shall with all due despatch reconsider the assessment or statement of disallowance and vacate, confirm or vary the assessment or statement of disallowance or reassess or serve a fresh statement of disallowance and he shall thereupon notify the person who has made the objection of his action by registered mail.

s. 12 (1),
re-enacted

7.—(1) Subsection 12 (1) of the said Act is repealed and the following substituted therefor:

Appeal

(1) After the Minister has given the notification required by subsection 11 (3), a person who has served notice of objection under section 11 may appeal to the Supreme Court to have the assessment or the statement of disallowance vacated or varied or reassessed or a fresh statement of disallowance issued, but no appeal under this section shall be instituted after the expiration of ninety days from the day on which notice has been mailed to such person under subsection 11 (3).

s. 12 (7),
amended

(2) Subsection 12 (7) of the said Act is amended by striking out “to vacate the assessment, vary the assessment or reconsider the assessment and reassess” in the third and fourth lines and inserting in lieu thereof “to vacate, vary or reconsider the assessment or statement of disallowance and reassess or issue a fresh statement of disallowance”.

s. 13 (1) (b),
amended

8.—(1) Clause 13 (1) (b) of the said Act is amended by striking out “interest and penalty or any of them” in the fifth line.

s. 13,
amended

(2) Section 13 of the said Act is amended by adding thereto the following subsections:

Lien on real
property in
respect of
taxes

(1a) All taxes, costs and other amounts imposed under this Act are, upon the registration by the Minister in the proper land registry office of a notice claiming the first lien and charge conferred by this subsection, a first lien and charge upon any real property in Ontario or any interest therein of the person liable to pay such taxes, costs and other amounts, and such first lien and charge has priority over all encumbrances or claims registered or attaching to the subject property subsequent to the registration of the notice.

Where a
person is not
a registered
owner

(1b) Where a person has an interest in real property but is not shown as the registered owner thereof in the proper land registry office,

- (a) the notice to be registered under subsection (1a) shall recite the interest of the person in the real property; and
- (b) a copy of the notice registered under subsection (1a) shall be sent to the registered owner at his address to which the latest notice of assessment under the *Assessment Act* has been sent.

R.S.O. 1980,
c. 31

9.—(1) Subsection 15 (1) of the said Act is repealed and the following substituted therefor:

s. 15 (1),
re-enacted

(1) Where the tax imposed by section 2 or any penalty under subsection 4 (9) is not paid at the time provided for, interest on the unpaid amount shall be paid to the Treasurer at such rate as is prescribed by the Lieutenant Governor in Council and the Lieutenant Governor in Council may also prescribe the method by which such interest is to be calculated, but no interest is payable for any period of time prior to the 10th day of April, 1974.

Interest on
unpaid tax

(2) Subsection 15 (2) of the said Act is repealed.

s. 15 (2),
repealed

10. Section 16 of the said Act is repealed and the following substituted therefor:

s. 16,
re-enacted

16.—(1) Where tax may be payable on the registration of a conveyance of land to a non-resident person, and that person satisfies the Minister prior to the registration of the conveyance that the land was or is to be acquired,

Deferral of
tax on certain
conveyances
to non-
residents

- (a) by a non-resident person who undertakes to the Minister to develop and resell the land for residential, commercial or industrial purposes not later than five years after the date of the grant of the deferral under this section;
- (b) by a non-resident person who undertakes to the Minister to establish, expand or relocate any active commercial or industrial business that is or will be carried on by the non-resident person, and the non-resident person undertakes to obtain any zoning changes necessary to permit the land to be used as proposed within the time agreed to by the Minister, and to complete the establishment, expansion or relocation within the time agreed to by the Minister, but the time for completing the establishment, expansion or relocation shall not exceed five years from the date of the grant of the deferral under this section;

- (c) by a non-resident person who is a Canadian citizen and who undertakes to the Minister to cease to be a non-resident person not later than five years after the date of the grant of the deferral under this section;
- (d) by a non-resident person who is acquiring the land from a transferor with whom he deals at arm's length as a result of a final order of foreclosure under a mortgage or charge affecting the land or in satisfaction of the obligations of the transferor to the transferee under a mortgage or charge affecting the land which is in default and who undertakes to the Minister to resell the land not later than five years after the date of the grant of the deferral under this section; or
- (e) by a non-resident person who is an individual other than a Canadian citizen and who undertakes to the Minister to cease to be a non-resident person within two years after the date of the grant of the deferral under this section,

the Minister may defer the payment by the non-resident person of that portion of the tax imposed by subsection 2 (2) which exceeds the tax imposed by subsection 2 (1), on condition that security in a form and of a kind acceptable to the Minister is furnished to the Minister for the performance of the undertakings given by the non-resident person.

Rebate of tax
on certain
conveyances
to non-
residents

(2) Where the tax imposed by subsection 2 (2) has been paid on the registration of a conveyance of land to a non-resident person, the Minister may rebate and provide a deferral of that portion of the tax imposed by subsection 2 (2) which exceeds the tax imposed by subsection 2 (1), if the land was acquired and still owned by,

- (a) a non-resident person who undertakes to the Minister to develop and resell the land for residential, commercial or industrial purposes not later than five years after the date of the registration of the conveyance;
- (b) a non-resident person who undertakes to the Minister to establish, expand or relocate any active commercial or industrial business that is or will be carried on by the non-resident person and the non-resident person undertakes to obtain any zoning changes necessary to permit the land to be used as proposed within the time agreed to by the Minister and to complete the establishment, expansion or relocation within the time agreed to by the Minister, but the

time for completing the establishment, expansion or relocation shall not exceed five years from the date of the registration of the conveyance;

- (c) by a non-resident person who is a Canadian citizen and who undertakes to the Minister to cease to be a non-resident person not later than five years after the date of the registration of the conveyance;
- (d) by a non-resident person who acquired the land from a transferor with whom he deals at arm's length as a result of a final order of foreclosure under a mortgage or charge affecting the land or in satisfaction of the obligations of the transferor to the transferee under a mortgage or charge affecting the land which was in default and who undertakes to the Minister to resell the land not later than five years after the date of the registration of the conveyance; or
- (e) by a non-resident person who is an individual other than a Canadian citizen and who undertakes to the Minister to cease to be a non-resident person within two years after the date of the registration of the conveyance,

and on the condition that security in a form and of a kind acceptable to the Minister is furnished to the Minister for the performance of the undertakings given by the non-resident person.

(3) No rebate or deferral of tax may be granted under subsection (2) unless application is made therefor by the non-resident person not later than six months after the registration of the conveyance of the land to him. Idem

(4) Where the Minister is satisfied that a person has performed the conditions undertaken by him under subsection (1) or (2), the Minister shall return to the person the security furnished in respect of the deferral granted and the amount of tax deferred is thereupon cancelled and no longer owing as tax under this Act. Deferred tax cancelled

(5) Where a person fails to perform the conditions undertaken by him under subsection (1) or (2) to the satisfaction of the Minister, the amount of the tax deferred under subsection (1) or (2) shall become immediately due and payable together with interest thereon at the prescribed rate calculated from the date of registration of the conveyance of the land to the person, and the Minister may enforce the security furnished by the per- Deferred tax collected

son and apply the proceeds towards the amount owed under this Act.

Extension of
time

(6) Notwithstanding subsection (5), the Minister may extend the time for fulfilling any undertaking given by a non-resident person under subsection (1) or (2), upon terms and conditions acceptable to the Minister, for a period of time not exceeding one year.

Idem

(7) The Minister may at such time or times as he considers advisable publish in *The Ontario Gazette* the particulars of a deferral of tax or extension of deferral given under this section.

Reduction of
tax on land
acquired for
principal
residence

(8) Where it is established to the satisfaction of the Minister that land will be acquired by a non-resident person,

- (a) who is a Canadian citizen, or the spouse of a Canadian citizen, for the purpose of using the land only for the principal residence or principal recreational property of the Canadian citizen or his spouse upon the return of either of them to Canada to take up permanent residence; or
- (b) who is an employer, for the principal purpose of selling the land to an employee, or to any employee and his spouse, to be used only as the residence of the employee and members of his family or of his usual domestic establishment, or for the principal purpose of making the land available for the exclusive use of his employees and members of their families, or of their usual domestic establishments, as a place of residence only,

the Minister may cancel that portion of the tax imposed by subsection 2 (2) which exceeds the tax imposed by subsection 2 (1).

Reduction of
consideration
on land
acquired to
replace land
compulsorily
taken

(9) Where it is established to the satisfaction of the Minister that land is being acquired by a person for the purpose of replacing land that was taken from him under statutory authority, that was sold by him to a person by whom notice of an intention to take the land under statutory authority was given, or that was sold by him to a person having the power to take the land under statutory authority and it is reasonable to assume that, had the land not been sold, it would have been taken from him by that person under statutory authority, the value of the consideration for the land being acquired shall be reduced by an amount equal to the compensation or proceeds of sale reasonably attributable to the land that was taken or sold.

(10) Where a person entitled to the leasehold interest in land acquires the freehold interest therein, the value of the consideration for the conveyance to the person of the freehold interest may be reduced by the amount of the value of the consideration for the conveyance by which the person acquired his leasehold interest in the land, if the value of that consideration was determined under subclause 1 (1) (p) (iii) and tax was computed and paid with respect to the value of that consideration so determined, but the reduction shall not exceed the value of the consideration for the conveyance of the freehold interest.

Reduction of consideration on lessee acquiring freehold

11. The said Act is amended by adding thereto the following section:

s. 17a, enacted

17a. If any doubt or dispute arises as to the liability to pay a tax or any portion of a tax demanded under the authority of this Act, or if owing to special circumstances it is deemed inequitable to demand payment of the whole amount imposed by this Act, the Minister may accept such amount as he deems proper.

Resolving disputes

12.—(1) This Act, except subsections 1 (1), (5) and (12), section 2, subsection 3 (7) and section 4, comes into force on the day it receives Royal Assent.

Commencement and application

(2) Subsections 1 (1), (5) and (12), section 2, subsection 3 (7) and section 4 shall be deemed to have come into force on the 21st day of April, 1983.

Idem

(3) For dispositions occurring on or before the day this Act receives Royal Assent, the return required to be delivered to the Minister under subsection 4 (8) of the *Land Transfer Tax Act*, as re-enacted by subsection 3 (7) of this Act, shall be delivered on or before the thirtieth day following the day this Act receives Royal Assent.

Idem

R.S.O. 1980, c. 231

(4) Provided that no disposition of agricultural land described in subsection 2 (2c) of the *Land Transfer Tax Act*, as enacted by section 2 of this Act, has occurred, no tax is payable where a corporation or trust becomes a non-resident person as a result of the amendments contained in section 1 of this Act, and no tax is payable with respect to any disposition of agricultural land that occurred before the 21st day of April, 1983.

Idem

13. The short title of this Act is the *Land Transfer Tax Amendment Act, 1983*.

Short title

